

prohibition districts of Madras Presidency and all the remaining shops in Bowringpet Taluk numbering in all about 295 have been closed down with effect from 1st April 1948.

2. In connection with the implementation of the prohibition Programme for the year 1948-49 it has been brought to the notice of Government that there has been a strong divergence of opinion as to the mode of disposal of the remaining shops during the year 1948-49. Government have decided after a careful examination of all the aspects of the case that the districts of Kolar, Tumkur and Chitaldrug should be completely dry from 1st July 1948 and that the shops remaining over in the other districts might be disposed of by public auction for 1948-49.

3. They are accordingly pleased to direct that all the existing shops be closed in the districts of Chitaldrug, Tumkur and Kolar with effect from 1st July 1948 and all necessary steps taken to implement the decision to bring about total prohibition in the three districts from the beginning of the next year.

4. Licenses may however be granted to such of the non-Indians residing in the areas in which total prohibition introduced as apply for permits for limited quantity of alcoholic drinks and to such of those who apply on the basis of medical certificates on the merits of each case. A notification on this behalf will be issued separately.

5. In view of the closure of the border shops from 1st April 1948 and of all the shops in the districts of Tumkur, Kolar and Chitaldrug from 1st July 1948 ordered above, Government consider that it is not necessary to effect a further cut of 20 per cent in the number of shops in the remaining districts during 1948-49. The Excise Commissioner is requested to take immediate necessary action to sell the existing shops in the remaining six districts by public auction for the year 1948-49.

The Excise Commissioner is requested to furnish a report of action taken in the matter for the information of Government at an early date.

SYED ABDUL ALEEM, *Rev. Secy.*

Refers on the Seringapatam Town Municipal Council the privilege of electing a Non-Official President from among its members.

D—

Letter No. A. 5-626-44-45, dated 27th February 1948, from the Deputy Commissioner, Mandya District, forwarding the resolution dated 4th November 1947 of the Seringapatam Town Municipal Council, requesting in circumstances stated that the Seringapatam Town Municipal Council be given the privilege of electing its own President.

ORDER NO. L. 16011-4—ML. 117-47-2, DATED BANGALORE, THE 20TH APRIL 1948.

Under Section 23 (2) (c) of the Mysore Town Municipalities Act, 1933, Government are pleased to confer on the Seringapatam Town Municipal Council the privilege of electing its own President.

The Deputy Commissioner, Mandya District, is requested to take immediate further action in accordance with the rules prescribed in this behalf and to submit a report to Government very early.

SYED ABDUL ALEEM, *Rev. Secy.*

LAW SECRETARIAT

Records the Report on the Working of the Department Income-Tax for the year 1946-47.

READ.—

Report on the working of the Department of Income-tax for 1946-47 received with letter No. C. 24-47-48, dated 8th December 1947, the Commissioner of Income-tax in Mysore, Bangalore.

ORDER NO. FL. 7148-59—I. T. 3-47-2, DATED BANGALORE, THE 24TH APRIL 1948.

Recorded.

2. The scheme of organising the Income-tax Department as a separate department under a full-time Commissioner for Income-tax was given effect to during the year under report.

The Department now consists of three Deputy Commissioners of Income-tax, 8 Income-tax Officers and 10 Inspectors. Four Gazetted Probationers were also recruited to the Department for appointment as Income-Tax Officers on completion of their training.

3. *Working of the Act.*—During the year under report, the Mysore Income-tax (Amendment) Act, No. XXV of 1946 introducing flat rates of Income-tax and Super-tax for companies and reducing the rate of Super-tax from 42 pies to 30 pies came into force with effect from 1st July 1946.

Certain amendments to the Mysore Income-Tax Act were introduced by the Mysore Income-Tax (Amendment) Act, XXVII of 1946. The principal changes effected by these amendments are:—

- (i) grant of depreciation allowance on the "Written down" value instead of on the original cost of plant and machinery, etc.,
- (ii) substitution of 4 years in place of one year for the levy of tax on incomes escaping assessment and
- (iii) addition of new schedule to the Act for the computation of profits and gains for Insurance Business.

4. The Mysore Excess Profits Act, 1946, was repealed with effect from 1st July 1946.

5. *Demand, Collection and Balance.*—The net demand under Income-tax was Rs. 97,51,608 (72,64,024), of which a sum of Rs. 79,52,590 (47,33,619) was collected. The increase is mainly due to the disposal of arrear cases and the enhanced revenue from the Gold Mining Companies. The net demand under Super-tax was Rs. 64,75,822 (57,92,826), of which a sum of Rs. 54,74,147 exclusive of excess collection (40,20,946) was collected. As the rate of super-tax in respect of companies was reduced from 42 pies to 30 pies, there was no corresponding increase under revenue from super-tax as in the case of income-tax.

The demand under Excess Profits Tax Act was Rs. 96,95,958 (25,56,705), of which a sum of Rs. 87,55,380 (7,24,224) was collected.

6. *Incidence of Taxation.*—The incidence of taxation per head of population under income-tax calculated on the resultant demand was Rs. 1-2-5 as against Rs. 1-0-4 in the preceding year. Under super-tax it was Re. 0-14-5 as against Re. 0-11-6 in the previous year.

7. *Appeals.*—There were 725 (663) appeals, of which 29 (329) were successful. Out of 52 (58) cases which came up for review 44 (42) were disposed of.

8. The working of the Department continued to be satisfactory during the year.

S. KANAKARATNARAJ, *Secy., Law Dept.*